PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application of: D. MCCabe *et al.*	Confirmation No.:
Serial No.: 09/559,320	Art Unit: 3624
Filed: April 27, 2000	Examiner: D. Felten
For: DERIVATIVE SECURITIES TRADING PRODUCT UTILIZING SUBSETS OF INDICES OR PORTFOLIOS	Attorney Docket No: 10449-003

FEE TRANSMITTAL SHEET

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GROUP 3600

Assistant Commissioner for Patents
Washington, D.C. 20231

Sir:

    The fee required to be filed with the accompanying amendment of even date herewith concerning the above-identified application has been estimated to be $84.00.

    The claim amendment fee has been estimated as shown below:

(Col. 1)0		(Col. 2)	(Col. 3)	☐ SMALL ENTITY			☒ OTHER THAN A SMALL ENTITY	
CLAIMS REMAINING AFTER AMENDMENT		HIGHEST NO. PREVIOUSLY PAID	PRESENT EXTRA	RATE	ADDIT. FEE	OR	RATE	ADDIT. FEE
TOTAL	22 MINUS	24	0	x 9	$		x 18	$ 0.00
INDEP.	7 MINUS	6	1	x 42	$		x 84	$ 84.00
					$			$ 0.00
☐ FIRST PRESENTATION OF MULTIPLE DEP. CLAIM			TOTAL	$		OR	TOTAL	$ 84.00

    Please charge the required fee to Pennie & Edmonds LLP Deposit Account No. 16-1150. A copy of this sheet is enclosed.

Respectfully submitted,

Date: February 26, 2003

                Nanda K. Alapati   Reg. No. 39,893
For   Victor N. Balancia   Reg. No. 31,231
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               1667 K Street, N.W.
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Enclosure

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application of: D. MCCABE et al.

Application No.: 09/559,320	Group Art Unit: 3624
Filed: April 27, 2000	Examiner: D. Felten
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AMENDMENT

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GROUP 3600

Assistant Commissioner for Patents
Washington, D.C. 20231

Dear Sir or Madam:

In response to the Office Action mailed January 17, 2003, please enter the following amendments and remarks into the file of the above-identified application.

IN THE SPECIFICATION:

A marked-up copy of the amended paragraphs showing insertions and [deletions] is attached in Appendix A. A clean copy of the amended paragraphs is also attached in Appendix B.

Paragraph at page 8, lines 1-8:

In the above-described preferred embodiment, there is a single child portfolio (the SPDRX) which comprises all the stocks traded in a single market (in this case, the NASDAQ). And among a total of $N = 500$ different securities in the parent portfolio (i.e., the S&P 500-based SPDR), $M_1 = 54$ different securities of the child portfolio all are traded on a first securities market (the NASDAQ), while none of the other $N - M_1 = 446$ different securities in the parent portfolio are traded on that first securities market. The benefits of the SPDRX of this first embodiment now become evident. Instead of placing $M_1 = 54$ separate orders with NASDAQ dealers to trade the orders, an SPDR specialist need only place a single order to buy or sell shares of C_{eq1} with the SPDRX specialist. Since the SPDRX shares are traded automatically, this means that the SPDR specialist realizes the benefits of speed and efficiency previously accorded only for those remaining 446 stocks not individually traded on the NASDAQ.

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